

Contract Closeout

DCMC Group Leaders
Conference

February 28 - March 3, 2000

Boston, MA

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C Contract Closeout

What is this stuff???

One Book Chapter: 10.2 - Contract Closeout

Performance Plan: For FY00 - Goal 2.1.2 - Contracts Closed on Time

time, within “Achieve closeout of contracts 86% of the the FAR mandated time frames.”
- plus two supplemental strategy measures

Metric Manual: 4.2.2.3 Contracts Closed on Time
(Describes how we measure to Goal 2.1.2)

4.2.2.2 Quantity of Overage
Contracts for Closure (Relates to supplemental strategy measures)

4.2.2 Contract Closeout Cycle Time
(Available for Supplemental Strategy Measures)

C Contract Closeout

What is this stuff???

Powerplay Cubes: Closed8 - MOCAS Part A & B, Section 8

Closeout - MOCAS Part A & B, Section 2

PPTS: Performance Plan Tracking System -
Contract Management Operations Only
- Performance and Investment
Goals.

Updated monthly for the world to see.

MMRs: Mission Management Reviews -
Held quarterly at HQ, but districts
determine field input schedules and
requirements

Contract Closeout

Remember...

FAR Closeout Requirements

- FFP Contracts - closed within **6 months** after physical completion (including final acceptance)
- Contracts requiring settlement of indirect cost rates - closed within **36 months** after physical completion (including final acceptance)
- All other contracts - closed within **20 months** after physical completion (including final acceptance)

Contract Closeout

Where you can get it...

One Book Chapter:

<http://www.dcmc.hq.dla.mil/onebook/10.0/10.2/Closeout.htm>

Performance Plan:

<http://www.dcmc.hq.dla.mil/Teaminfo/AQBD/2000pln/00Plan0909.htm#2.1.2>

Metric Manual:

<http://www.dcmc.hq.dla.mil/Teaminfo/AQBD/2000pln/metrics/index.htm>

Cognos Tools:

<http://www.dcmc.hq.dla.mil/teaminfo/aqbd/bic/cubes.htm>

PPTS:

<http://www.dcmc.hq.dla.mil/ppts/2-1-2/index.htm>

MMRs:

<http://www.dcmc.hq.dla.mil/HOT/MMR/Mmr.htm>

Team Key Topics Page:

Contract Closeout

What you've been asking...

What is reported on in PPTS?

- Here are what the most recent slides look like:

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2.1.2 - Contracts Closed on Time

Update - January 31, 2000:

- MOCAS Transition Assistance Center Tasking 00-95
 - New Coding Requirement (R9-X codes) for all contracts in MOCAS (except FFP < \$500K).
- FY 00 Performance Plan currently includes two Supplemental Goals:
 - Close "old dogs" (will be tracking quantity of Part A contracts by CAO with overage dates prior to Oct 1, 1998).
 - Continue to monitor volume of total Part A overages by CAO
- DFAS issue of reopening contracts with excess funds - DCMC HQ, MTAC and District POCs are working with DFAS-CO for resolution.
- Continue to keep overage reason coding in MOCAS current.
- Encouraging CAO Commanders to utilize Management Councils to improve contractor final invoice submissions.

Contract Closeout - More PPTS

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2.1.2 - Contracts Closed on Time

• **Performance Goal Description:** Achieve closeout of contracts 86% of the time, within the FAR mandated time frames.

• FY00 Goal/Target: **86%**

• **FY00 YTD Status (through Dec 99) :** **90.4%**

•Rating: **GREEN**

•**Description of Progress to Date:** Just getting started with the MOCAS transition effort for the next 2 years. Stressing to CAOs to do the “right thing” in closing out all contracts as soon as practicable.

• **Anticipated Problems:** CAOs closing of “old” contracts will impact DCMCs ability to meet this goal on a monthly basis, but with MOCA S transition focus, all large volume of noncoverage contracts should also close.

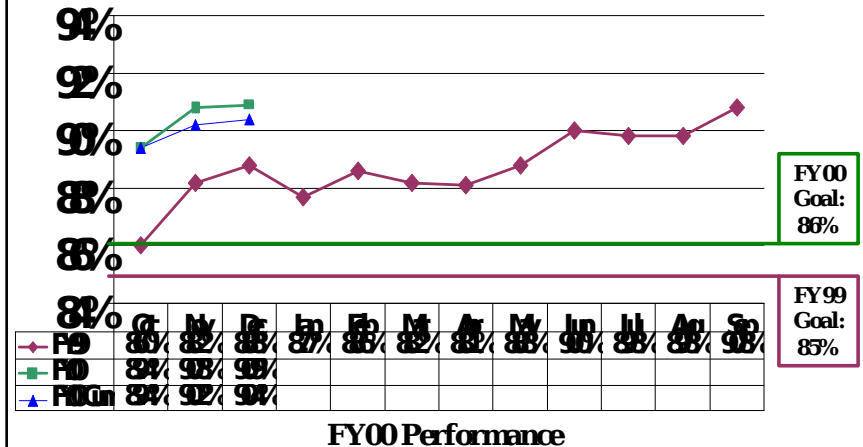
•Prediction of EOY Status: GREEN

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2.1.2: Contracts Closed on Time

Defense Management Council Goal

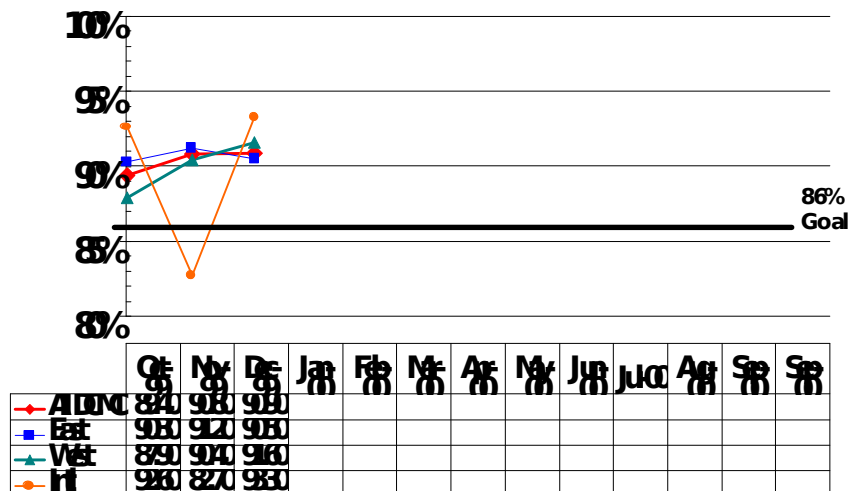
Deliverable: Improve the percentage of contracts closed out in accordance with FAR/DFAR goals...



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2.1.2: Contracts Closed on Time

All MOCAS Contracts



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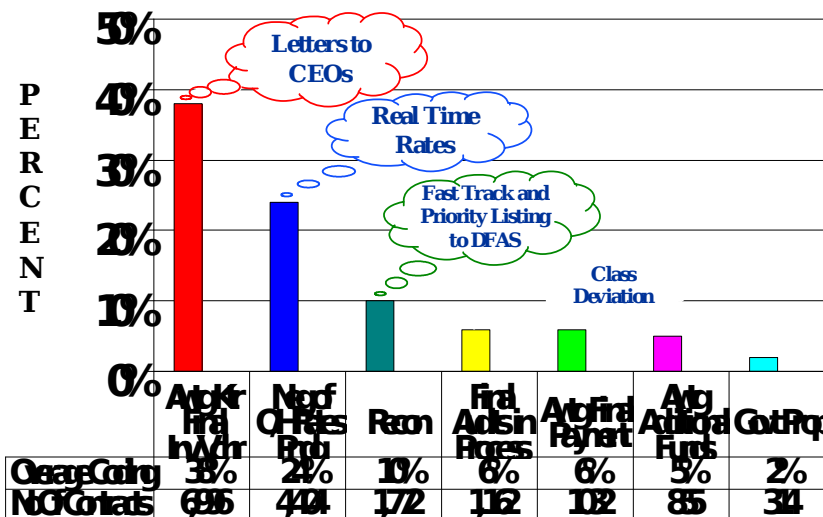
2.1.2: Contracts Closed on Time

Milestones

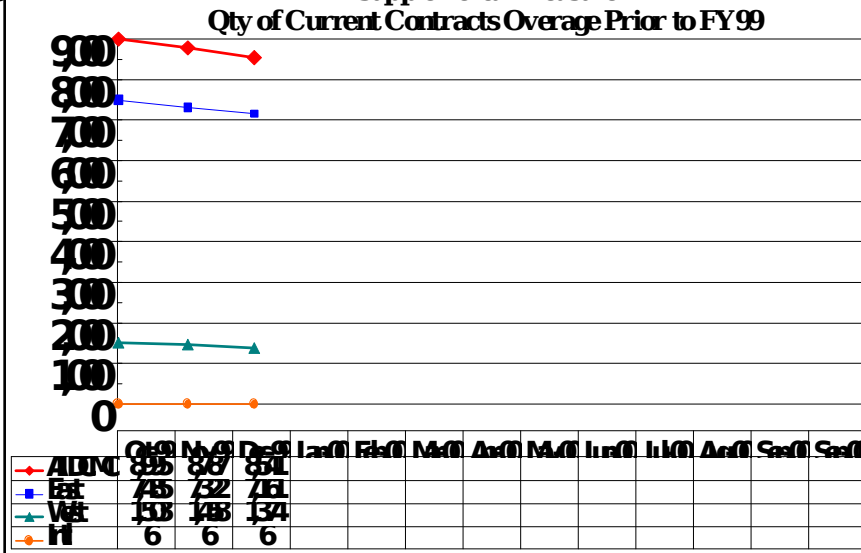
Task Name	Q1				Q2			Q3			Q4				
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	
Update Power Play Cube															
Cube Updates															
FY00 Metrics Manual Update															
Publish Contract Closeout Guidebook															
Navy IPT															
PPTS Update															
Process Driver Reviews															
MMR/FMR/SMR Reporting															
CAO Visits by MTAC															

DCMC Contract Closeout - More PPTS

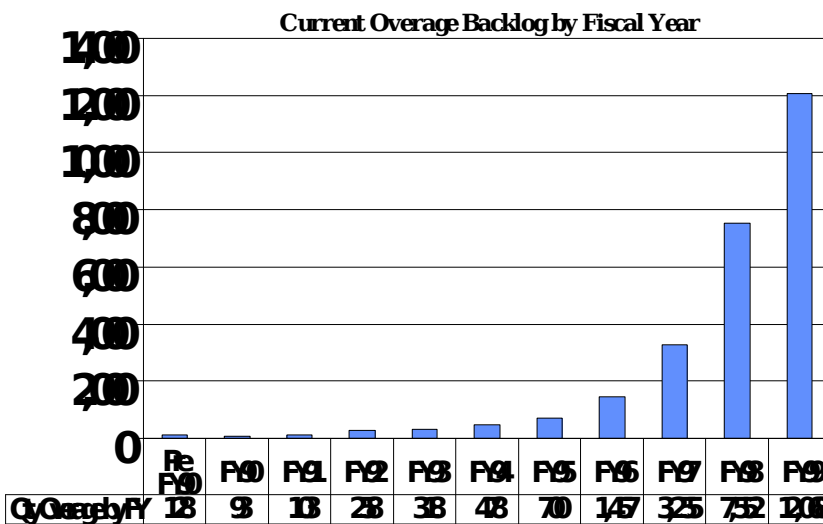
DCMC 2.1.2: Contracts Closed on Time
Major Process Drivers



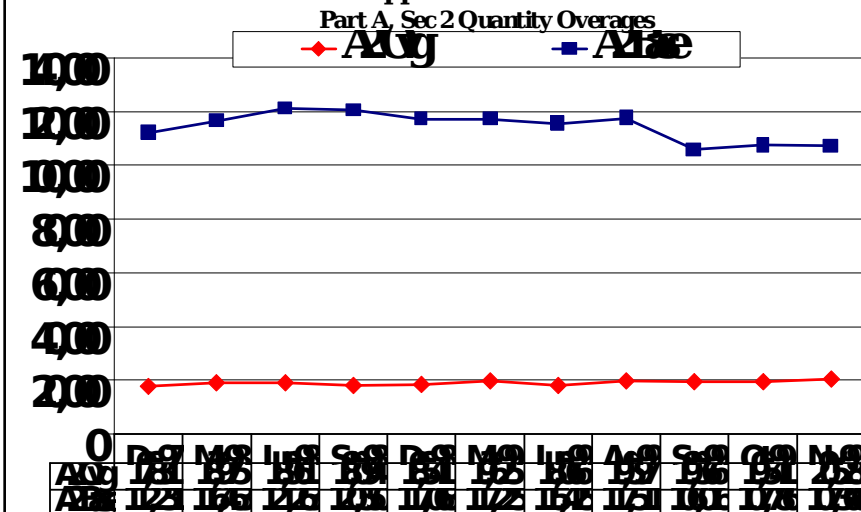
DCMC 2.1.2: Contracts Closed on Time
Supplemental Measure



DCMC 2.1.2: Contracts Closed on Time
Supplemental Measure



DCMC 2.1.2: Contracts Closed on Time
Supplemental Measure

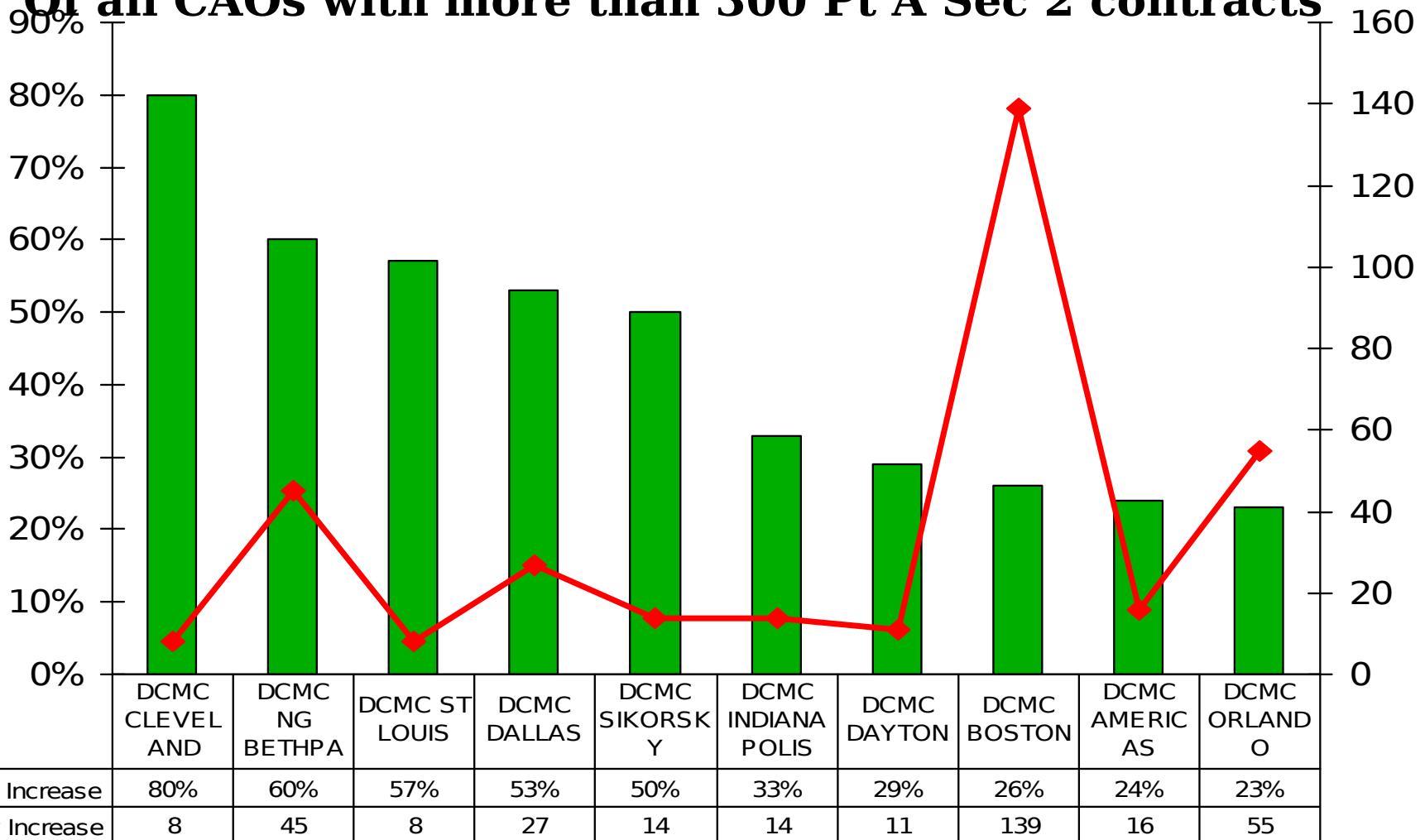


DCM 2.1.2: Contracts Closed on Time

Supplemental Measure

Part A, Sec 2 Percentage Increase of Overages From Sep 99 to Dec 99

Of all CAOs with more than 300 Pt A Sec 2 contracts

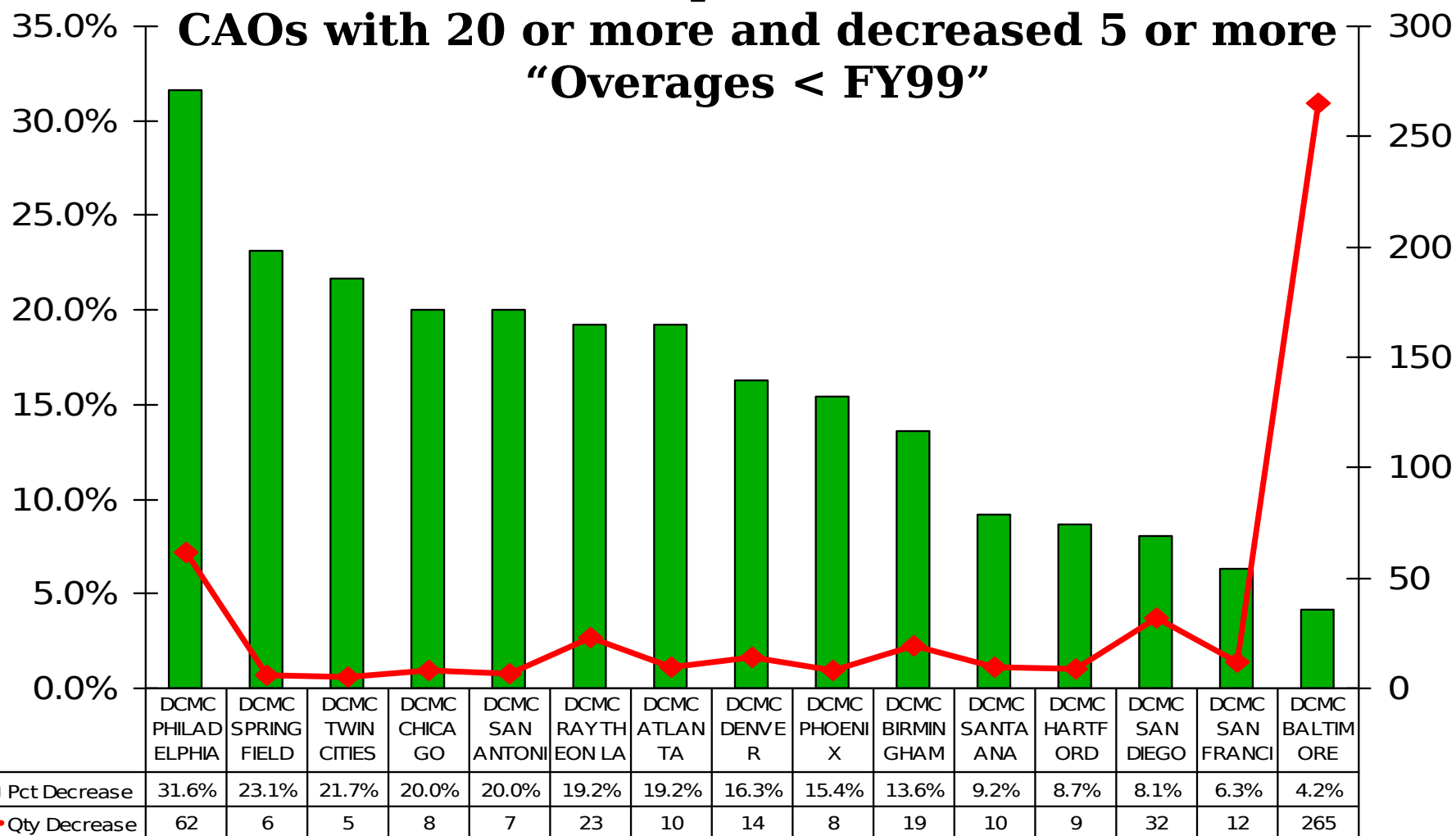


DCM 2.1.2: Contracts Closed on Time

Supplemental Measure

Part A, Sec 2 Percentage Decrease of Oldest Overages
From Sep 99 to Dec 99

CAOs with 20 or more and decreased 5 or more
"Overages < FY99"



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What you've been asking...

What baseline is HQ using for FY00 supplemental measures?

Baseline Oct 99 data for qty by CAP	Qty Overage	Qty Savings	Qty Diff FY99	Baseline Oct 99 data for qty by CAP	Qty Overage	Qty Savings	Qty Diff FY99
All DCM	19541	167466	8,995	DCMC LONG ISLAND	56	835	19
DCMDE	16046	81073	7,485	DCMC NEW YORK	133	675	52
DCMDW	3427	26304	1,503	DCMC NG BALTIMORE	43	175	13
DCMDI	67	408	6	DCMC NG BETHPAGE	75	430	12
DCMC BALTIMORE	12932	49156	6,311	DCMC NG HAWTHORNE	4	52	2
DCMC AIRCRAFT PROGRAM MGMT OFC	12	54	8	DCMC NG MELBOURNE	3	28	0
DCMC AMERICAS	66	395	6	DCMC NG ST AUGUSTINE	0	46	0
DCMC ATLANTA	120	1509	52	DCMC NORTHERN EUROPE	1	3	0
DCMC BELL HELICOPTER	77	604	2	DCMC ORLANDO	239	1501	76
DCMC BIRMINGHAM	388	2420	140	DCMC PACIFIC	0	9	0
DCMC BOEING - CANOGA PARK	0	7	0	DCMC PHILADELPHIA	341	4632	196
DCMC BOEING HUNTINGTON BEACH	5	21	3	DCMC PHOENIX	125	1389	52
DCMC BOEING LONG BEACH	16	125	11	DCMC PITTSBURGH	32	494	22
DCMC BOEING PHILADELPHIA	38	247	3	DCMC PRATT AND WHITNEY E HARTFORD	7	40	0
DCMC BOEING SEATTLE	38	144	33	DCMC PRATT AND WHITNEY W PALM BEACH	21	255	2
DCMC BOEING ST LOUIS	32	516	12	DCMC RAYTHEON	80	300	27
DCMC BOSTON	535	4378	208	DCMC RAYTHEON E SYSTEMS INC	10	101	1
DCMC CHICAGO	114	1251	40	DCMC RAYTHEON LA	268	870	120
DCMC CLEARWATER	17	468	5	DCMC RAYTHEON TI SYSTEMS	11	84	5
DCMC CLEVELAND	10	1312	3	DCMC RAYTHEON TUCSON	165	461	71
DCMC DALLAS	51	2323	12	DCMC SAN ANTONIO	84	936	35
DCMC DAYTON	38	1796	5	DCMC SAN DIEGO	748	4605	397
DCMC DENVER	167	887	86	DCMC SAN FRANCISCO	481	1510	189
DCMC DETROIT	46	864	20	DCMC SANTA ANA	272	3661	109
DCMC GE AIRCRAFT ENGINES - LYNN	10	141	0	DCMC SEATTLE	57	737	19
DCMC GE AIRCRAFT ENGINES - EVENDALE	9	114	1	DCMC SIKORSKY AIRCRAFT	28	408	8
DCMC HARTFORD	367	4512	103	DCMC SOUTHERN EUROPE	0	1	0
DCMC INDIANAPOLIS	42	817	6	DCMC SPRINGFIELD	59	872	26
DCMC LM ASTRONAUTICS	7	29	6	DCMC ST LOUIS	14	334	3
DCMC LM DEL VAL	59	580	31	DCMC STEWART AND STEVENSON	0	25	0
DCMC LM FED SYS	5	181	0	DCMC SYRACUSE	105	1094	48
DCMC LM FORT WORTH	148	916	43	DCMC THIOKOL	3	21	1
DCMC LM MARIETTA	68	254	24	DCMC TWIN CITIES	68	1075	23
DCMC LM MISSILES AND SPACE	126	326	70	DCMC VAN NUYS	328	3063	155
DCMC LM ORLANDO	128	485	70	DCMC WICHITA	8	231	3

Contract Closeout

What you've been asking...

Why are we counting Part B when DFAS handles Part B?

- Because our customers do not distinguish Part A from Part B. They assigned all the contracts to DCMC to administer. Internal working agreements between DFAS and DCMC do not release us from our responsibility to our customers.

If I cannot closeout a contract because I need replacement funds and at the same time the contractor owes the government money on other contracts, what's the possibility of doing some off setting on these monies?

- We are currently testing this concept with DFAS, where both the Army and Air Force accounting stations are involved. If the accounting station for both

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What you've been asking...

Is DFAS or the ACO responsible for inputting reason codes for Sec 4 contracts?

- Only DFAS can move contracts into Section 4. Therefore, it is also their responsibility to explain the reason for the move in the R4 line. If ACOs wish to provide further explanation, the R5, R6 and ACO notebook can be used for "in the clear" remarks.

When you have more than reason code for the contract being overage, how do you want to code or can multiple codes be used?

- MOCAS is programmed to accept 3 different codes, but for metrics and performance plan reporting, we only look at the first or primary reason code.

Contract Closeout

What you've been asking...

My customer is asking me to send paper 1594s because they don't get their PK9's anymore. What do I tell them?

- We do not send 1594s to buying activities who get PK transactions. If you are getting this request, notify your district POCs to help the customer fix their PK9 problem.

How can I close a contract that DFAS reopened for a .01 ULO?

- Send a 1797 to DFAS asking them to adjust the "penny down" and close the contract. DFAS has been working on reducing their backlog of 1797 adjustment requests from ACOs and are making progress, and we continue to work with them on this topic. If you have

Contract Closeout

Don't be surprised by the two Supplemental Goals...

- Close “old dogs” (will be tracking quantity of Part A contracts with overage dates prior to Oct 1, 1998).
- Continue to monitor volume of total Part A overages by CAO

Who you can call...

- Your Contract Closeout and Reconciliation District Process Champion:
 - District West – Ms. Lolita Pizarro, 310 900-6567, lpizarro@whq.dcmdw.dla.mil
 - District East – Ms. Joyce Blais, 617 753-3398, jblais@dcmde.dla.mil
 - District Intl – Ms Charlene Baez, 703 767-2792, cbaez@dcmchq.dla.mil
- Or the DCMC HQ Process Owners:
 - Closeout - Ms. Patty Tellez, 703 767-3436, ptellez@dcmchq.dla.mil
 - Reconciliation - Ms. Jean Carter, 703 767-8134, jcarter@dcmchq.dla.mil